

Message Text

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PAGE 01 GEORGE 00812 01 OF 02 141930Z

ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 USIA-06
AID-05 OMB-01 TRSE-00 HA-05 EB-08 COME-00 AGRE-00
/082 W

-----105948 142030Z /53

R 141730Z MAR 78

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC 6376

INFO AMEMBASSY BRIDGETOWN

AMEMBASSY KINGSTON

AMEMBASSY PARAMARIBO

AMEMBASSY PORT OF SPAIN

C O N F I D E N T I A L SECTION 1 OF 2 GEORGETOWN 0812

E.O. 11652: GDS

TAGS: PINT, EFIN, GY

SUBJECT: PARLIAMENTARY DEBATES ON GOG BUDGET: OPPOSITION-GOG
CLASH

REF: GEORGETOWN 0743

BEGIN SUMMARY: THE GENERAL POLITICAL DEBATE ON THE GOVERNMENT'S
1978-1981 BUDGET CONCLUDED ON MARCH 8 WITH MOST OF THE MAJOR
ACTORS ON GUYANA'S POLITICAL SCENE HOLDING FORTH DURING THE
LAST HALF OF THE DISCUSSIONS. HIGHLIGHTS OF THE LATTER PORTION
OF THE DEBATES WERE CONCLUDING STATEMENTS MADE BY PEOPLE'S
PROGRESSIVE PARTY (PPP) LEADER CHEDDI JAGAN, LEADER OF THE SMALL
UNITED FORCE FIELDEN SINGH, AND A SPIRITED CLASH BETWEEN DEPUTY
PRIME MINISTER PTOLEMY REID AND THE NUMBER TWO MAN IN THE PPP,
DEPUTY SPEAKER OF THE HOUSE BOYSIE RAMKARRAN. PARTISAN WRANGLING
OVER SECOTRS OF THE BUDGET PROMISE TO CONTINUE FOR AT LEAST
ANOTHER WEEK. END SUMMARY.

1. UNDOUBTEDLY THE SHARPEST MOMENTS OF THE DEBATE OCCURRED
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PAGE 02 GEORGE 00812 01 OF 02 141930Z

DURING A CLASH BETWEEN REID AND RAMKARRAN. THE PEPPERY
RAMKARRAN LISTED A NUMBER OF PROPOSALS BY THE PEOPLE'S
NATIONAL CONGRESS (PNC) WHICH HE SAID BORDERED ON "THE
LUNATIC FRINGE". HIS EXAMPLES INCLUDED MOVING THE CAPITAL
FROM GEORGETOWN, PLANTING WHITE POTATOES AND WHEAT, AND
BUILDING A SELF-HELP ROAD (I.E., THE UPPER MAZARUNI PROJECT).
HE SAID THAT, ALTHOUGH THE COUNTRY SHOULD BE THANKFUL THAT

ONLY SOME OF THESE IDEAS HAD BEEN ATTEMPTED, THOSE THAT HAD BEEN TRIED HAD RESULTED IN CONSIDERABLE DAMAGE TO THE NATION'S ECONOMY. RAMAKARRAN ACCUSED THE GOG OF GROSS MISMANAGEMENT AND DECLARED THAT, FAR FROM ENTERING A NEW ERA OF PROMISE, GUYANA WAS ENTERING A PERIOD OF STARVATION, UNEMPLOYMENT AND CONTINUED DISCRIMINATION. HOWEVER, PNC MISRULE WAS FOSTERING A HEALTHY GROWTH IN WORKING CLASS CONSCIOUSNESS AND UNITY.

2. IN RESPONSE TO RAMKARRAN'S SARCASM, DEPUTY PM REID REMARKED THAT THE PPP, WHEN IT WAS THE RULING PARTY BETWEEN 1961 AND 1964, HAD AN OPPORTUNITY TO UNITE THE GUYANESE PEOPLE AND MOVE TOWARDS GENUINE DEVELOPMENT. INSTEAD IT INITIATED PROGRAMS WHICH RESULTED IN 23 WEEKS OF VIOLENCE WITH THE LOSS OF 163 LIVES, US \$3.5 MILLION IN DAMAGES, 13,000 HOMELESS AND A LEGACY OF RACIAL ANIMOSITY AND TENSION. DOMESTIC TRANQUILITY WAS RESTORED ONLY WHEN THE PNC CAME TO POWER IN 1964. REID ACCUSED THE PPP OF USING APPEALS TO RACIAL PREJUDICE TO WIN VOTES. HE ALSO DENIED RAMKARRAN'S ASSERTION THAT THE GOG HAD PROLONGED THE RECENT 135 DAY SUGAR STRIKE AND USED "NEO-FASCIST" METHODS TO BREAK IT. HE CHARGED THAT THE PPP'S LEADERS HAD ATTEMPTED TO DESTROY THE ECONOMY THROUGH THE STRIKE AND HAD GONE OUTSIDE THE COUNTRY, CAUSING HARDSHIP AND EVEN DEATH TO GUYANESE, IN THEIR LUST FOR POWER. IN CONTRAST, THE PNC WAS ENDEAVORING TO UNIFY THE NATION. CONFIDENTIAL

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PAGE 03 GEORGE 00812 01 OF 02 141930Z

THE DEPUTY PM ADMITTED THAT THERE WERE DIFFERENCES BETWEEN THE TWO MAJOR RACES IN GUYANA, BUT EXPRESSED OPTIMISM THAT UNDER PNC RULE NATIONAL UNITY WOULD PREVAIL.

3. THE LEADER OF THE SMALL UNITED FORCE, FIELDEN SINGH, SPOKE OF THE ECONOMY AS "GASPING FOR BREATH" AND FORESAW "MORE INTENSE" TROUBLES IN THE FUTURE. SINGH ATTACKED THE GOVERNMENT'S REDEPLOYMENT PLAN AND INDICATED THAT HE FELT FURTHER CUTS SHOULD HAVE BEEN MADE IN GUYANA'S VARIOUS DEFENSE ORGANIZATIONS AND IN DIPLOMATIC MISSIONS OVERSEAS. THE FOUR YEAR CAPITAL PLAN WAS A MERE "GIMMICK", A "WINDOW DRESSING" DESIGNED FOR THE INTERNATIONAL MONETARY FUND (IMF) WHICH IS CURRENTLY NEGOTIATING WITH THE GOG. THE NATION SHOULD BE RUN ON BUSINESS PRINCIPLES TO PROMOTE PROSPERITY AND EFFICIENCY, CONCLUDED SINGH.

4. LEADER OF THE PPP CHEDDI JAGAN AVERRED IN HIS STATEMENT THAT THE GOG FACED AN ECONOMIC CRISIS BECAUSE ITS DEVELOPMENT POLICIES WERE LINKED TO IMPERIALISM, THERE WAS A LACK OF DEMOCRACY AT ALL LEVELS OF THE GOVERNMENT, AND THE GOVERNMENT WAS GUILTY OF RACIAL AND POLITICAL DISCRIMINATION ALONG WITH CULTURAL SUPPRESSION. JAGAN

INSISTED THAT RICE PRODUCTION HAD INCREASED ONLY 0.6 PERCENT FROM 1964 TO 1975 WHILE SUGAR OUTPUT HAD GROWN ONLY FIVE PERCENT DURING THAT PERIOD. BASED ON THESE LOW GROWTH RATES, IT WAS UNLIKELY THAT PRODUCTION AND PRODUCTIVITY WOULD MAKE MARKED STRIDES IN THE NEAR FUTURE.

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PAGE 01 GEORGE 00812 02 OF 02 141929Z
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C O N F I D E N T I A L SECTION 2 OF 2 GEORGETOWN 0812

THE RECENT GOG EMPHASIS ON AGRICULTURAL PRODUCTION WAS RELATED TO THE "NEW STRATEGY OF IMPERIALISM" WHICH JAGAN FELT HELD SWAY OVER THE CARIBBEAN. THIS STRATEGY DICTATED THAT GUYANA SHOULD BE AN EXPORTER OF RAW MATERIALS AND AGRICULTURAL COMMODITIES DURING THE CURRENT WORLD FOOD SHORTAGE. HIS SOLUTION WAS TO ENCOURAGE "BALANCED" INDUSTRIAL AND AGRICULTURAL GROWTH. ACCORDING TO JAGAN, MANY OF GUYANA'S PROBLEMS WERE DUE TO THE POLITICAL SPLIT BETWEEN THE PPP AND THE PNC. THE NATIONAL FRONT GOVERNMENT PROPOSED BY THE PPP COULD HEAL THAT RIFT AND, BY INVOLVING ALL THE PEOPLE IN THE DEVELOPMENT DRIVE, MAKE IT A SUCCESSFUL ONE. JAGAN CONCLUDED BY MAKING AN APPEAL TO BURNHAM TO "FIGHT THE RIGHT WING". "IF HE IS A SOCIALIST AND A REVOLUTIONARY, AND WE WOULD LIKE HISTORY TO RECORD HIM AS SUCH,...(HE SHOULD) MAKE PEACE WITH THE PPP AND MAKE PEACE WITH THE SOCIALIST COUNTRIES. IF YOU HAVE PROBLEMS WITH THE RIGHT WING, MOBILIZE YOUR SUPPORTERS", CHALLENGED JAGAN. HE DECLARED THAT GUYANA WAS AT A CROSS ROADS AND THE PPP HOPED THAT THE PATRIOTS OF THE RULING PARTY WOULD MAKE DECISIONS WHICH WOULD LEAD

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PAGE 02 GEORGE 00812 02 OF 02 141929Z

THE NATION OUT IF ITS ECONOMIC CRISIS AND MAKE IT, LIKE
CUBA, A SHINING BASTION IN THE AMERICAS.

5. COMMENT: REMARKS IN THE LATTER PART OF THE BUDGET
DEBATE SEEMED TO BE DIRECTED LESS AT THE BUDGET ITSELF
THAN AT THE SURROUNDING POLITICAL MILIEU. IT IS WIDELY
RUMORED IN GEORGETOWN THAT THE BUDGET IS ONLY A STOP-GAP
MEASURE DESIGNED TO BE REVISED IN AUGUST AFTER CLEARER
PICTURES OF GUYANA'S INCOME ON REVENUES BECOMES POSSIBLE.
INTEREST IN STRICT ECONOMIC MATTERS, AT LEAST IN THE
PARLIAMENT, SEEMS LIKELY TO BE SUPERSEDED BY THE POLITICAL
ATMOSPHERICS OF AN ELECTION YEAR.
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